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SUBJECT: RWANDA MONTHLY ECONOMIC REVIEW

DEVELOPMENT PROJECTS / ISSUES

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11. Japan promised Rwanda USD 1,509,150 to boost economic development and poverty eradication, most specifically directed towards the agricultural sector. The World Bank will administer both grants from the Japanese government under its Policy and Human Resources Development Fund (PHRD). The grants will fund feasibility studies, detailed designs, assessments, project implementation plans, trainings, and consultations. (Note: The PHRD Fund was established in 1990 as a partnership between the Government of Japan and the World Bank.)
12. The United States African Development Foundation (USADF) entered into a memorandum of understanding (MOU) with the GOR to help develop small and medium sized businesses in Rwanda. The GOR will match, from its 2008 budget, the USD 2 million that the USADF has allocated towards the grant program. While a collaborative process between the GOR and the USADF, the program will be managed on a day-to-day basis by the USADF.
13. The African Development Bank (AfDB) approved a grant of USD 50 million to help finance the second phase of the Rwandan Poverty Reduction Strategy Support Program (PRSSP II). The grant is to be used to improve public finance management by improving budget programming and execution.

COMMERCIAL

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14. BOSF, an Australian property development company, plans to construct a 650-unit housing estate, in Kimisange in the Kigali district of Kicukiro, geared towards the medium to high-end. Rwanda Housing Bank (RHB) manager, Charles Haba, reports that the expropriation and infrastructure has already been completed.
15. The estate, registered as Victory Heights, will have a central sewer system and water treatment plant with a provision to recycle and obtain rainwater for household and other uses. Construction is expected to commence by October 1 2007 and be completed by October 2009.
16. In what would become the largest Chinese investment in Rwanda, Star Communication Network Technologies established a subsidiary firm, Star Africa Media Company, in Rwanda. Director General of the Rwanda Investment and Export Promotion Agency (RIEPA), Francis Gatere explained that the company plans to build a \$20 million television station and internet provider company in Rwanda.

¶7. The GOR and the American-funded telecommunications company, Terracom, finalized negotiations in the months-long dispute over performance and payments. Terracom agreed to sell the company to the GOR, and the GOR plans to use the original name of the telecommunications company, RwandaTel, as it prepares the company for tender.

MACROECONOMIC INDICATORS

¶8. The United Nations Population Fund (UNFPA) issued its 2007 world population report, predicting that Rwanda's population will shoot to 18.2 million people by 2050 at an average growth rate of 2.3 per cent. The report also showed that Rwanda, with a life expectancy of 43.3 and 46.2 years for male and female respectively, is the lowest in the EAC.

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